

STATE OF NEVADA

Department of Conservation & Natural Resources

Jim Gibbons, Governor Allen Biaggi, Director

DIVISION OF ENVIRONMENTAL PROTECTION

Leo M. Drozdoff, P.E., Administrator

7 November 2008

Notice of Final Decision

Reclamation Permit #. 0252

Baker Hughes Oilfield Operations, Inc., dba Baker Hughes Drilling Fluids

Argenta Mine and Mill Project

The Nevada Division of Environmental Protection (NDEP) has decided to approve an application for a major modification to Reclamation Permit, No. 0252, for a Mining Project to Baker Hughes Oilfield Operations, Inc., d.b.a. Baker Hughes Drilling Fluids. This permit authorizes Baker Hughes Drilling Fluids to reclaim the Argenta Mine and Mill Project. This Project is located in Lander County, Nevada. The Division has been provided with an application, in accordance with Nevada Revised Statute (NRS) and Nevada Administrative Code (NAC) 519A to assure the Division that Baker Hughes Drilling Fluids will leave the project site safe, stable, and capable of providing for a productive post-mining land use.

This permit will become final on November 18, 2008. The final determination of the Administrator may be appealed to the State Environmental Commission pursuant to NAC 519A.415. The appeal must be filed by November 17, 2008 and in accordance with Administrative rules of the Environmental Commission.

BMRR received one comment letter from the State of Nevada, Department of Wildlife (NDOW) during the public comment period.

NDOW Comment 1: Numerous wildlife species inhabit the Argenta Rim in the vicinity of the existing Argenta Mine and Mill operation. Mule deer utilize the entire project area during different times of the year. Suitable summer range is the limiting factor for mule deer distribution in the Argenta Rim. Sage grouse and chukar are common in the area. There are several raptor species that nest in the vicinity of the proposed project. Bat distribution is not well understood in the vicinity of the existing mine disturbance. Other non game birds and mammals utilize the habitat in the vicinity of the proposed project area, as well. The presence of a pit lake with poor water quality is a concern for all terrestrial and volant wildlife in the vicinity.

BMRR Response: Comment noted.

NDOW Comment 2. Reclamation to mining activity is important to Nevada's wildlife resources. The key to providing benefits to wildlife from reclamation is in developing a suitable vegetative

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community on the reclaimed disturbance. As the Argenta Mine may require additional efforts due to the acid generating characteristics of the host rock in the F Pit if the site characterization demonstrates a potential to generate more acid mine drainage. Protection of the vegetative cover designed to control flux of meteoric water into the waste rock will be paramount to ensuring the waters of the state are not contaminated. The Bureau of Land Management and Baker Hughes will need to ensure these covers are not compromised by post mining land management practices.

BMRR Response: Comment noted.

NDOW Comment 3. Efforts to salvage as much topsoil as possible should be encouraged. Having topsoil on the reclamation site greatly enhances the opportunity for revegetation success. Seedbed preparation is very important to the success of the reclamation effort. Any changes to the reclamation permit for the Argenta Plan of Operations should retain provisions to contour the mining disturbance to the natural slope of the surrounding terrain. This provides a location for vegetation establishment that will be comparable to the surrounding vegetative community and provides good cover and forage for wildlife on the reclaimed disturbance.

NDOW Comment 4. The reclamation seedmix selected by Baker Hughes should contain a diversity of shrub, forb and grass species necessary to create a post mine site that will be suitable for the wildlife resources in the vicinity. Their existing reclamation efforts demonstrate that successful revegetation can occur at the mine site.

BMRR Response to Comment 3 and 4: NAC 519A.325 requires an operator to stockpile topsoil, if available, during the initial disturbance and stockpile for use in future reclamation. Topsoil stockpiling must be done if practicable and if necessary for the establishment of the post-mining land use. The operator, in the approved plan, commits to recontouring slopes to a safe and stable condition that generally will resemble the natural topography. The operator also commits to respreading topsoil, where available, prior to seeding with the BLM prescribed seed mixture.

NAC 519A.415 Appeals to commission.

- 1. Any person aggrieved by:
- (a) The issuance, denial, renewal, suspension, modification, condition or revocation of a permit;
- (b) The issuance, modification or rescission of any other order,
- by the state department of conservation and natural resources may appeal to the commission.
- 2. Any person who requests a hearing before the commission concerning a final decision of the department pursuant to <u>chapter 519A of NRS</u> may do so by filing a request, within 10 days after notice of the action of the department, on form 3* with the State Environmental Commission, 901 S. Stewart St. Ste. 4001, Carson City, Nevada 89701.
- 3. The provisions of <u>NAC 445B.875</u> to <u>445B.899</u>, inclusive, apply to a hearing of the state environmental commission requested pursuant to subsection 1.
- 4. The commission will affirm, modify or reverse any action of the department, which is appealed to it.

*(See adopting agency for form.)

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